

HOUSE BILL 2395

By Rogers

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 5, relative to property tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-5-1702, is amended by deleting the section and substituting instead the following:

(a) No tax rate in excess of the certified tax rate as provided for in § 67-5-1701 may be levied by the governing body of any county or municipality until a resolution or ordinance has been approved by the governing body according to the following procedure:

(1) Prior to each meeting at which the resolution or ordinance will be considered, the governing body advertises its intent to exceed the certified tax rate in a newspaper of general circulation in the county or municipality, and the chief executive officer of the county or municipality, as appropriate, furnishes to the state board of equalization an affidavit of publication no later than thirty (30) days after publication; and

(2) After a public hearing, the governing body adopts a resolution or ordinance at a minimum of two (2) consecutive, regularly scheduled meetings levying a tax rate in excess of the certified tax rate. If the tax rate in the resolution or ordinance is five percent (5%) or greater than the certified tax rate, then the resolution or ordinance must be passed by a two-thirds (2/3) vote of the governing body at a minimum of two (2) consecutive, regularly scheduled meetings.

(b)

(1) If a resolution or ordinance proposing a tax rate in excess of the certified tax rate that must be passed by a two-thirds (2/3) vote does not receive a two-thirds (2/3) vote, then the governing body may, by ordinance or resolution approved by majority vote, call for a referendum on the question of levying the tax rate in excess of the certified tax rate.

(2) In a referendum called pursuant to subdivision (b)(1), the county election commission shall hold an election on the question pursuant to § 2-3-204, after receiving a certified copy of such ordinance or resolution, providing options to vote "FOR" or "AGAINST" the ordinance or resolution. A majority vote of those voting in the election determines whether the ordinance or resolution is adopted.

SECTION 2. Tennessee Code Annotated, Section 67-5-102, is amended by adding the following as a new subsection (d):

(d)

(1) No increase in the property tax may be levied by a county legislative body until a resolution has been approved by the legislative body according to the following procedure:

(A) Prior to each meeting at which the resolution will be considered, the legislative body advertises its intent to increase the property tax rate in a newspaper of general circulation in the county, and the chief executive officer of the county furnishes to the state board of equalization an affidavit of publication no later than thirty (30) days after publication; and

(B) After a public hearing, the legislative body adopts a resolution at a minimum of two (2) consecutive, regularly scheduled meetings levying an increase in the tax rate. If the increase in the tax rate in the resolution is five percent (5%) or greater, then the resolution must be

passed by a two-thirds (2/3) vote of the legislative body at a minimum of two (2) consecutive, regularly scheduled meetings.

(2)

(A) If a resolution proposing a property tax rate increase of five percent (5%) or greater does not receive a two-thirds (2/3) vote, then the legislative body may, by resolution approved by majority vote, call for a referendum on the question of levying the property tax rate increase.

(B) In a referendum called pursuant to subdivision (d)(2)(A), the county election commission shall hold an election on the question pursuant to § 2-3-204, after receiving a certified copy of such resolution, providing options to vote "FOR" or "AGAINST" the resolution. A majority vote of those voting in the election determines whether the resolution is adopted.

SECTION 3. Tennessee Code Annotated, Section 67-5-103, is amended by adding the following as a new subsection (d):

(d)

(1) No increase in the property tax may be levied by a municipal legislative body until an ordinance has been approved by the legislative body according to the following procedure:

(A) Prior to each meeting at which the ordinance will be considered, the legislative body advertises its intent to increase the property tax rate in a newspaper of general circulation in the municipality, and the chief executive officer of the municipality furnishes to the state board of equalization an affidavit of publication no later than thirty (30) days after publication; and

(B) After a public hearing, the legislative body adopts an ordinance at a minimum of two (2) consecutive, regularly scheduled meetings, levying an increase in the property tax rate. If the increase in the tax rate in the resolution is five percent (5%) or greater, then the ordinance must be passed by a two-thirds (2/3) vote of the legislative body at a minimum of two (2) consecutive, regularly scheduled meetings.

(2)

(A) If an ordinance proposing a property tax rate increase of five percent (5%) or greater does not receive a two-thirds (2/3) vote, then the legislative body may, by ordinance approved by majority vote, call for a referendum on the question of levying the property tax rate increase.

(B) In a referendum called pursuant to subdivision (d)(2)(A), the county election commission shall hold an election on the question pursuant to § 2-3-204, after receiving a certified copy of such ordinance, providing options to vote "FOR" or "AGAINST" the ordinance. A majority vote of those voting in the election determines whether the ordinance is adopted.

SECTION 4. This act shall take effect July 1, 2018, the public welfare requiring it.